

Your Exam Content Outline

The following outline describes the content of one of the Oregon insurance examinations. The outlines are the basis of the examinations. The examination will contain questions on the subjects contained in the outline. The percentages indicate the relative weights assigned to each part of the examination. For example, 10 percent means that 6 questions will be drawn from the section on a 60-question exam, 10 will be drawn on a 100-question exam and 15 will be drawn on a 150-question exam.

Oregon Laws and Regulations Examination Series 12-00

50 questions – One-hour time limit

1.0 Insurance Regulation 60%

1.1 Licensing

Purpose

Process (ORS 744.058, .059, .062)

Types of licensees

Producers (ORS 744.052, .053)

Consultants (ORS 744.605, .609, .626; OAR 836-071-0150)

Adjusters (ORS 744.531)

Nonresidents (ORS 744.063)

Temporary (ORS 744.073)

Maintenance and duration

Renewal and nonrenewal (ORS 744.072, .074)

Continuing education requirements (ORS 744.072(4); OAR 836-071-0215–0250)

Reinstatement (ORS 744.018, .072(6))

Assumed business name (ORS 744.028(2), .068)

Change of address or telephone number (ORS 744.028(1), .068)

Reporting of actions (ORS 744.089)

Disciplinary actions

Cease and desist orders (ORS 731.252)

License probation, suspension, revocation or refusal to issue or renew (ORS 744.074)

Civil penalty (ORS 731.988)

Criminal penalty (ORS 731.992)

1.2 State regulation

Director's general duties and powers (ORS 731.236)

Company regulation

Solvency (ORS 731.554(6))

Producer appointment (ORS 744.078)

Termination of appointment (ORS 744.079, .081)

Unfair claim settlement practices (ORS 746.230; OAR 836-080-0205–0250)

Producer regulation

Fiduciary and trust account responsibilities (ORS 744.083; OAR 836-074-0020–0050)

Place of business/records maintenance (ORS 744.068)

Controlled business (ORS 746.065, .160)

Shared commissions (ORS 744.076, .077; OAR 836-071-0269–0277)

Unfair trade practices

Misrepresentation (ORS 746.075, .100)

False advertising (ORS 746.110; OAR 836-080-0155)

Rebating (ORS 746.045)

Unfair discrimination (ORS 746.015;

OAR 836-081-0005, 0010, 0020, 0030)

Illegal inducement (ORS 746.035)

Suitability (OAR 836-080-0001–0043, 836-080-0090)

Examination of records (ORS 744.068(2, 3))

Privacy of Consumer Information (ORS 746.620, .630, .665)

1.3 Federal regulation

Fair Credit Reporting Act (15 USC 1681–1681d)

Fraud and false statements including 1033 waiver (18 USC 1033, 1034)

2.0 General Insurance 40%

2.1 Concepts

Risk management key terms

Risk

Exposure

Hazard

Peril

Loss

Methods of handling risk

Avoidance

Retention

Sharing

Reduction

Transfer

Elements of insurable risks

Adverse selection

Law of large numbers

Reinsurance

2.2 Insurers

Types of insurers

Stock companies

Mutual companies

Fraternal benefit societies

Reciprocal

Lloyd's associations

Risk retention groups

Private versus government insurers

Admitted versus nonadmitted insurers

- Domestic, foreign and alien insurers
- Financial status (independent rating services)
- Marketing (distribution) systems

2.3 Producers and general rules of agency

- Insurer as principal
- Producer/insurer relationship
- Authority and powers of producer
 - Express
 - Implied
 - Apparent
- Responsibilities to the applicant/insured

2.4 Contracts

- Elements of a legal contract
 - Offer and acceptance
 - Consideration
 - Competent parties
 - Legal purpose
- Distinct characteristics of an insurance contract
 - Contract of adhesion
 - Aleatory contract
 - Personal contract
 - Unilateral contract
 - Conditional contract
- Legal interpretations affecting contracts
 - Ambiguities in a contract of adhesion
 - Reasonable expectations
 - Indemnity
 - Utmost good faith
 - Representations/misrepresentations
 - Warranties
 - Concealment
 - Fraud
 - Waiver and estoppel